FBIS DAILY REPORT

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BRAZIL'S GUERREIRO ON VENEZUELA, GUYANA CONFLICT

FL271150 Bridgetown CANA in English 2353 GMT 26 Jul 82

[Text] Port-of-Spain, Trinidad, July 26, CANA -- The Brazilian minister of state for external relations, Ramiro Saraiva Guerreiro, has said the territorial conflict between neighbours Venezuela and Guyana should be settled through negotiations.

Mr Guerreiro, who was in Trinidad and Tobago for a meeting of the joint Trinidad-Brazil mixed commission, told reporters he hoped the two sides would soon resume direct talks aimed at finding a peaceful resolution.

Venezuela has a long-standing claim to Guyana's mineral rich Essequibo region.

The Brazilian foreign minister said: "We do not believe that any controversy between nations should be allowed to reach that stage where a final solution is sought through military action."

He told reporters: "We have good relations with both sides. We have no disputes with either and we always talk frankly to both of them."

PANAMA'S PRESIDENT ATTENDS FELAP CONGRESS

PA271905 Panama City MATUTINO in Spanish 26 Jul 82 pp 1A, 8A

[By Alberto Henriquez Garay]

[Excerpts] Newspaperwoman Norma Nunez Montoto, secretary general of the journalists union of Panama and president of the third congress of the Latin American Federation of Newsmen, FELAP, which started on Saturday at the Atlapa convention center, said that "Panama at this moment feels a startling greatness with the arrival here of the mutual, solid and compact soul of journalism and Latin American newspapermen. This is felt in the problems we will discuss, anxieties we will express, tributes to liberty we will make and dangers to this same liberty that we will denounce."

The opening event was attended by Panamanian President Aristides Royo; Jorge E. Ritter, minister of government and justice; members of the diplomatic corps; national guard representatives; and more than 200 Latin American and Caribbean newspapermen. The conference will end on Tuesday, 27 July.

Norma Nunez added that a "treaty that is not kept is not a treaty, and the Torrijos-Carter treaties are not kept because the United States wants these treaties to continue being caricatures of treaties and Panama to be a caricature of a country."

The secretary general of the journalists union of Panama added: "That is why we are here, answering the Latin American, Bolivarian call for unity, so that aspirations within that framework will go beyond simple wishes to become facts, fulfilling the transcendent aspirations of Bolivar's soul today at the beginning of his bicentennial."

Eleazar Diaz Rangel, newspaperman and FELAP secretary general, said that this third congress has gathered at a new hour for America, when the tracks left on Argentina by the aggression of the decadent and ancient British empire -- with the military and technological support as well as solidarity of the European Economic Community, who together want to impose situations that belong to the colonial past -- are still fresh.

INTERIOR MINISTER RESTON ON GOVERNMENT GOAL

PY280248 Buenos Aires TELAM in Spanish 0100 GMT 28 Jul 82

[Text] Buenos Aires, 27 Jul (TELAM) -- Interior Minister Gen Llamil Reston noted today that, in the face of some wrong attitudes, the government is sticking to its goal of democratic institutionalization of the country, and that it will take measures to ensure a climate of harmony.

The interior minister made these remarks to a group of journalists accredited to Government House during a meeting held in the Salon de los Escudos on the building's lower floor.

The head of the political ministry stated: The decision of the military junta is to institutionalize the country within a period ending no later than early 1984. He also said that the government headed by General Bignone assumed the responsibility for implementing that decision.

"The laws and resolutions that have been promulgated, the accelerated studies of the draft of the political parties statute that will permit the reorganization of the parties in a climate of peace and responsible freedom attest to the government disposition to implement all the measures necessary to move toward the final goal.

"It is opportune to recall that the enterprise of installing a republic is not completed with the promulgation of laws and regulations. It calls for actions and attitudes that are just as or even more important than the promulgation of rules. All citizens and institutions must assume their share of responsibility and prudence by this fundamental undertaking.

"Political leaders, sector leaders, the governors and the governed, civilians and servicemen have an unavoidable role and a responsibility which cannot be delegated, not toward the government, however, but toward the republic.

"That responsibility should be rooted in humility, to admit one's own errors; in generosity, to feel that we are all Argentines; and in maturity, to realize that the task can be done by tackling it together.

"The national government has made this commitment and has taken concrete steps toward the goal of institutionalization. Democracy will be consolidated on the basis of dissent with respect for differing opinions, and on the basis of the confrontation of ideas and programs.

"But we cannot journey through this road with the offensive attitudes, the irresponsible accusations or the divisive attempts of those who fail to understand the significance of the call for elections or the duty befalling them.

"In view of these wrong attitudes, the government's attitude will be clear and unswerving. Its goal is to guarantee the democratic institutionalization of the republic and its measures will be intended to ensure the climate to harmony.

"We know that the great majority of the national community and its leaders have assumed their role with the necessary highmindedness and responsibility, and so we will maintain peace and order as the indispensable environment for reconciliation, as well as making sure that the divisive attempts will have the appropriate response from the strict application of the law. Since General Bignone's government took office, as you know, we have emphasized the fact that the final objective of this transition period is attaining the definitive institutionalization of the country by early 1984. I believe that this goal represents the strongest wishes of all Argentines, but I also believe that we all have to contribute to the definitive institutionalization of the country with attitudes, expressions, creating a climate of conciliation and tranquillity so that the objective can be reached in a normal manner. We in the government have tried to swiftly implement the rules to make possible the advance toward that all-important goal. But I would not be discharging my responsibility as interior minister if I did not share with you these thoughts that came to my mind in the wake of some public manifestations which were reported by all the media in the country."

LABOR MINISTER ACKNOWLEDGES SOCIAL PROBLEMS

PY272203 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0000 GMT 27 Jul 82

[Excerpt] Buenos Aires, 26 Jul (NA) -- Labor Minister Hector Villaveiran has acknowledged the right of the workers to be concerned over their problems but also warned "against the use of terms that can help worsen these problems."

The minister made a statement this afternoon shortly after swearing in Labor Under Secretary Luis Fava and Under Secretary for Administrative Coordination Daniel Priano.

In response to questions from journalists concerning the possibility of a "social explosion," the minister admitted that "the situation is a continuing problem that the ministry is dealing with," but he also made "a call for calm because we are aware that the lesser income sectors, the labor sectors, are facing a truly difficult situation. However, we must try not to help create conditions that lead to desperation."

Villaveiran pointed out that "we are at the beginning of a change in policies and in the midst of an opening which is bringing to the surface a certain number of concerns that had been submerged, and all this gives rise to an atmosphere of turmoil which in some cases makes the situation appear worse than it really is."

FOREIGN MINISTER TO VISIT DOMINICAN REPUBLIC

PY261935 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2237 GMT 24 Jul 82

[Text] Buenos Aires, 24 Jul (NA) -- Foreign Minister Juan Ramon Aguirre Lanari reported this afternoon that he will travel to the Dominican Republic in August to attend the swearing-in ceremony of the new Dominican president.

Aguirre Lanari, who made this statement upon returning from Uruguay, said that several Latin American foreign ministers and presidents will be in the Dominican Republic to attend this ceremony.

"This will be a highly propitious opportunity to personally meet people or to strengthen relationships with those already known, and to exchange viewpoints on the policy we are currently implementing, which is designed to strengthen our sovereign right over the Malvinas Islands."

CHILEAN MISSION TO PROMOTE TRADE ARRIVES

PY261243 Buenos Aires DYN in Spanish 0203 GMT 26 Jul 82

[Text] Buenos Aires, 25 Jul (DYN) -- A Chilean commercial delegation headed by Andres Concha Rodriguez, director general of economic relations of the Chilean Foreign Ministry, arrived here today to promote bilateral trade with Argentine officials.

The delegation will meet local officials, particularly those of the Economy Ministry, in order to analyze bilateral integration projects.

According to the Chilean Embassy, the agenda will include the interconnection of the electric and natural gas systems of the two countries, lines of credits to promote exchange, additional customs, port and transportation facilities, and projects which will encourage commercial bilateral trade.

The plane which brought the delegation was scheduled to arrive in Buenos Aires at 2020, but it was almost 3 hours late.

The Chilean diplomats will participate in the meetings to be held by the Latin American Economic System (SELA), which will analyze special measures aimed at helping Argentina neutralize the economic sanctions imposed on it by Western powers as a result of the South Atlantic war.

Concerning the visit by the commercial delegation, Chilean Ambassador Sergio Onofre Jarpa Reyes met with Foreign Ministry Under Secretary Enrique Ros this week in order to brief him on the goals of the mission.

According to the Chilean Embassy, Chile, whose purchases on the Argentine market reached $200 million in 1981 and involved basically raw materials, is interested in purchasing manufactured goods such as cars, trucks, tractors, buses and transportation equipment.

The delegation will start its official activities tomorrow at the opening SELA meeting, which will be attended by President Reynaldo Bignone and Foreign Minister Juan Ramon Aguirre Lanari.

At the airport, the delegation was awaited by top officials of the Chilean Embassy in Buenos Aires.

SELA SECRETARY OUTLINES MEETING'S OBJECTIVES

PY271806 Buenos Aires DYN in Spanish 1910 GMT 26 Jul 82

[Text] Buenos Aires, 26 Jul (DYN) -- SELA Secretary General Carlos Alzamora told DYN today that the first meeting of the SELA committee of support and action for Argentina is seeking a regional economic security plan to safeguard the region from the industrialized countries in light of the situation experienced on account of the South Atlantic conflict. In the 2-day meeting which is currently being held in Buenos Aires, the committee, which was created in Caracas on 3 June 1982 by the 26 SELA member countries, will also seek "to make the people aware of the economic vulnerability of Latin America so as to prevent sanctions like those imposed by the EEC and the United States from endangering the economy of our countries," Alzamora added.

In reply to a question, Alzamora revealed that another of the meeting's objectives is to achieve an increase in the Latin American regional exchange, which is estimated at 20 percent for 1982. "However," Alzamora said, "this figure may be exceeded if operational bases for greater complementary actions are achieved in the meeting currently being held in Buenos Aires."

Alzamora, a Peruvian diplomat who heads the SELA permanent secretary office for the 1979-83 period, anticipated the possibility that "the necessary steps to implement the integration plans within SELA's framework and within that of other regional systems such as the Andean Pact (Cartagena Accord)," might be included in the final document outlining the results of the meeting.

As for the committee stage of the meeting, Alzamora said that today and tomorrow two technical working commissions will draw up lists of products with their respective prices and that each country will be able to outline its real exchange needs. These lists will be approved by SELA during the meeting scheduled to be held in Caracas on 16 August 1982.

Alzamora opened the meeting this morning and stated that "the Malvinas Islands crisis has taught all of a major lesson, that is, that the Latin Americans can only rely on the Latin Americans in the hour of truth."

During his conversation with DYN and without mentioning the EEC, Alzamora was critical of the sanctions imposed by the EEC on Argentina in the wake of the war waged with Great Britain in April, which caused the EEC to stop buying Argentine products estimated at 27 percent of the Argentine exports.

SELA, which was created on 17 October 1975 under the Panama accord, is composed of 26 Latin American countries, including Cuba. However, only 19 of its members countries are participating in the meeting currently being held in Buenos Aires.

SELA is mainly designed as "a permanent system for consultations and mutual support, where Latin America may defend its interests against those of other international organs, such as the United Nations, and those of third countries, such as the United States."

SELA's political importance lies in the fact that it is the only regional organ which includes Cuba. Alzamora expressed to DYN today his desire to organize a meeting of Latin American presidents "to discuss regional economic problems."

Similarly, the committee of support and action for Argentina is seeking "to coordinate concrete economic support and initiatives in the face of the emergency situation" brought about by the sanctions imposed on Argentina, not only by the EEC, but also by Great Britain itself and by the United States."

This support will be given through implementing financial cooperation "with lines of credit and through contacts from the region with the Argentine banking system." Moreover, tariff agreements will be signed within the framework of the Latin American Integration Association (LAIA).

FEDERAL JUDGE SENTENCES CHILEAN SPY 24 JUL

PY271852 Buenos Aires CLARIN in Spanish 24 Jul 82 p 3

[Text] Rio Gallegos — Federal Judge Federico Pinto Kramer has sentenced Manuel Eduardo Flores Villagran, a naturalized citizen formerly of Chile, to 10 years in prison for "activities against national security and spying."

The sentence also includes the loss of Argentine citizenship for Flores Villagran, who was detained in April 1981 by security forces. These forces found survey charts of different strategic points in the south on him.

The data found on Flores Villagran contained precise information on the location of military installations and mining centers.

COMMENTARY ON ECONOMIC, POLITICAL FUTURE

PY280059 Buenos Aires LA PRENSA in Spanish 24 Jul 82 pp 1, 4

[Commentary by J. Iglesias Rouco: "Realities and Ideas"]

[Excerpt] The French consortium Dumez and the Italian Impregilo firm have reportedly reached an agreement to jointly undertake civil engineering work on the Yacyreta project. As far as we know, each consortium would be in charge of half the work or, more exactly, 50 percent of the amount of the contract. Both General Bignone and several of his ministers — among whom Mr Dagnino Pastore certainly would not appear — wish to carry the project forward or, at least, not postpone it indefinitely; this would become easier now because of the understanding between the two consortiums, in view of the rejection with which the World Bank met the intention of the military regime toward the end of last year to award the work to Impregilo alone. But the very serious economic situation of the country, which is in virtual state of cessation of payments, and the delays which will still take place until decision is made will not allow work to be started this year or perhaps even at the beginning of next year. It also remains to be seen what the World Bank thinks of the arrangement between the two companies.

So it seems that the future of the Argentine energy structure, the key to any economic and also social progress, is not very clear. But is there anything that is clear in Argentina nowadays? Let us see:

1. In less than 2 weeks, the so-called monetary basis (money in circulation plus deposits) jumped from 69 to 91 trillion pesos (10,000 trillion old pesos) [figures as published].

2. While the parties and the military commanders are dedicating their main efforts to their respective "internal affairs," certain civilian and military sectors are getting ready to launch a strong offensive aimed at nullifying a presumed government plan by which all political proscriptions, even that on Mrs Peron, would be lifted, according to well-informed circles.

3. Despite denials from one side and the other, Great Britain's military alliance with Chile in the South Atlantic was reportedly reinforced through the presence of British Phantom planes in Chilean territory during the Malvinas war, according to what has just been reported in the United States. But the most serious thing is that those planes are still said to be there as part of a secret pact, according to which London would actively support Chile in case of new tensions over the Beagle or other border disputes.

4. Most Latin American nations reportedly will not side with Argentina in the OAS, if Buenos Aires should try to put pressure on Washington to obtain a more moderate and impartial U.S. position regarding the Malvinas. The contradictions -- more apparent than real -- which appeared between Mr Aguirre Lanari and his Uruguayan counterpart over the same subject in Punta del Este yesterday hardly reflect the true content of the information being gathered in the continent by our roving ambassadors, which is rather discouraging for Argentina.

5. The unpaid amortizations ($2.5 billion) on the foreign debt with which Mr Dagnino Pastore was saddled without prior knowledge when he entered the Economy Ministry, are being met at the rate of $250 million per month, but no one in the government knows yet how Argentina will be able to finance imports during the second half of the year, which are termed "indispensable" and which will cost $4 billion, without mentioning of course, the $6 billion in new payments falling due, or the conditions our creditors will impose for refinancing. The recommendations of the IMF will not be very favorable for us and the EEC "has probably pulled down the curtain now," according to the words of a diplomat.

6. According to Economy Ministry experts there will be no kind of "reactivation" in the next few weeks, but a substantial salary increase will reportedly be decided in less than 1 month because of the danger of a social crisis, about which Mr Villaveiran has received alarming evidence.

7. To the grievous problem of those who disappeared in the so-called "dirty war" is reportedly now about to be added the problem of those who disappeared in the Malvinas war, which is the subject of a number of contradictory reports. Relatives of conscripts listed as missing in the sinking of the Belgrano have asserted that the official lists do not take into account rescues allegedly made by Soviet and Polish ships, about which nothing has been said. Some parents and brothers of mission sailors believe that many, or at least several, victims from the Belgrano are in the Soviet Union and other Eastern countries. They further maintain that the Foreign Ministry asked the Soviet Union immediately after the torpedoing that its fishing ships aid in the rescue work. The Soviet fishing fleet is reportedly now using -- since the beginning of the war -- a base at Ushuaia and the Poles are using Puerto Madryn.

FOREIGN MINISTER ON INTERNATIONAL RELATIONS

PY271549 La Paz Radio Illimani Network in Spanish 1100 GMT 27 Jul 82

[Text] Foreign Minister Agustin Saavedra Waisse yesterday briefed President Guido Vildoso Calderon on the development and status of Bolivian international relations as a consequence of the change in government.

Saavedra Waisse also said that they also exchanged points of view on this subject in the subregional, regional and continental fields. He added that within the next few days he will meet with the press to establish a new method of permanent contact with the communications media.

FRI DENOUNCES ATTACKS ON POLITICAL LEADERS

PY271517 La Paz Cadena Panamericana in Spanish 1130 GMT 27 Jul 82

[Text] With the signature of its main leader Manuel Morales Davila and (Aquiles Zefenique), the Revolutionary Front of the Left [FRI] has released a communique condemning the attacks perpetrated during the past few hours against the homes of political leaders Antonio Aranibar Quiroga and of Mrs (Emma Caldera de Vacarreta).

According to the communique, these attacks are indicative that the elections are intended to be held under the auspices of terror and intimidation, in violation of the general and unrestricted amnesty promulgated (?for the benefit) of the people.

The communique adds that these attacks also show that the government's methods have not changed despite the reshuffle in the presidency and Interior Ministry.

The third point of the communique states that it would be naive to ask the Interior Ministry to investigate these events and to punish the perpetrators of these attacks, because it is well known that that ministry harbors this kind of crime and criminals.

The communique adds that surely the Interior Ministry will promise to investigate the events and to severely punish the perpetrators, but the citizenry knows that they cannot believe in those promises repeated a thousand times and yet never fulfilled.

In another point of the document, the FRI states that the only way to return peace and tranquillity to the people is to grant guarantees for their security. The FRI also demands a change in government and relinquishment of the presidency to a civilian regime which could be respected and whose words could deserve the faith of the people.

The communique concludes that FRI made the same denunciation when peasant leader (Simon Barrientos) suffered a similar attack, and that it received no answer to its demands.

Further Details

PY271600 Paris AFP in Spanish 2009 GMT 26 Jul 82

[Excerpts] La Paz, 26 Jul (AFP) -- It was reported here today that the home of Antonio Aranibar Quiroga, national leader of the Movement of the Revolutionary Left [MIR], was the object of a serious dynamite attack at dawn today which caused serious damage to the house but no casualties.

In remarks to AFP, Aranibar Quiroga charged that this attack was perpetrated by the same groups who murdered Father Luis Espinal in May 1980 and which contributed to the overthrow of the democratic process with the 17 July 1980 coup.

He stated that this attack which could have killed his children must be explained by new Bolivian President Gen Guido Vildoso Calderon.

He added that a few weeks ago, Vildoso Calderon, when he was still chief of army staff, designated Col Luis Arce Gomez, former interior minister of Gen Luis Garcia Meza's government, as member of the national security council.

Col Arce Quiroga, who also lives in the same house, stated that he miraculously went to bed at a relatively early hour last night, and that if he had stayed in the living room reading as he usually does, he would have been killed.

He also said that a metal curtain saved the lives of Aranibar's children. So far, the government has not made any statement on the attack.

PARTIES, LABOR DEMAND RETURN TO CIVILIAN RULE

COD Calls for Mobilization

PY261901 Paris AFP in Spanish 1452 GMT 26 Jul 82

[Text] La Paz, 26 Jul (AFP) -- The department labor federation (COD) of Cochabamba, located in the central part of Bolivia, has called for a mobilization of the populace to demand that the government be handed over to civilians as soon as possible, it was reported here today.

The workers also said that it is imperative to resolve as soon as possible the dollar exchange rate problem brought about by the adjustments made due to the floating system.

This measure was taken during a departmental meeting attended by 40 labor unions, 50 federations and by members of the Executive Committee of the Bolivian Labor Federation (COB).

The document drawn up by the workers concludes that the administration will have to be handed over to civilians in 6 months at the maximum due to the inability of the military to administer the country and to overcome all the problems the country has been experiencing over the past 18 years.

Santa Cruz COD

PY271551 Paris AFP in Spanish 1514 GMT 27 Jul 82

[Text] La Paz, 27 Jul (AFP) -- Adrian Salmon, the public relations secretary of the departmental labor federation (COD) of Santa Cruz, located 1,000 km east of La Paz, has stated that the COD is stuyding the possibility of demanding that Herman Siles Zuazo be named constitutional president of Bolivia.

Siles Zuazo has won the last three presidential elections that have been held in the country.

According to Salmon, this could be a solution to the very serious economic, political and social situation that the country is experiencing.

The COD's position is in line with that of the Movement of the Revolutionary Left (MIR), which was formulated yesterday, and whose leaders have asked the armed forces to hand over the government to the Siles Zuazo-Paz Zamora ticket on 6 August 1982, independence day.

MIR Proposes Siles Zuazo

PY270246 Paris AFP in Spanish 2344 GMT 26 Jul 82

[Text] La Paz, 26 Jul (AFP) -- The Movement of the Revolutionary Left [MIR] proposed here today that Hernan Zuazo and Jaime Paz Zamora, the combination that won the general elections in 1980, should take over the government of next 6 August, the anniversary of the creation of Bolivia. MIR leaders Antonio Aranibar Quiroga, Paz Zamora and Oscar Eid Franco stressed at a press conference that to this end they support the demand by private business and seven political parties, headed by the Historic National Revolutionary Movement [MNR-H], to call together the 1980 congress.

Paz Zamora said that the basic contradiction in the political life of the country at present consists of the illegitimacy of the government born from a military coup as against the legitimacy born from the will of the people.

He added that if there is a real desire to solve the problems of the country, the 1980 congress should designate this two-man formula as president and vice president of the republic and grant the new government extraordinary powers to swiftly and effectively take the measures of economic reordering which are urgently required.

Aranibar Quiroga said that if by any chance the 1980 congress would intend to ignore the will of the majority, expressed in the elections of 1978, 1979 and 1980, it would have to face the mobilization of the people, who will fight for their decision expressed at the ballot boxes.

Eid Franco explained that the MIR had believed on 3 July that the call to new presidential elections for April 1983, made by the military regime, was the most viable possibility. He added, however, that in view of the emergence of a new government headed by Gen Guido Vildoso Calderon, who does not guarantee the holding of democratic elections, the MIR now demands the 1980 congress with the reservations stated above.

The MIR leaders maintained that the economic crisis is speeding up the desintegration of the military regime and that in the present situation the country cannot endure another year of military government, that is, until the elections in 1983.

Paz Zamora added that it should be kept in mind that the cost of living has again increased by 75 percent the last 10 days and that the dollar, which was worth 25 Bolivian pesos 5 months ago, will reach 300 pesos in a few weeks. He said that it should be added that the Bolivian economy has shrunk by 5 percent, a rate higher than that of El Salvador despite the savage civil war laying that country to waste.

The MIR leaders explained in conclusion that they have made a proposal to the country, including the Democratic and Popular Unity [UDP], of which they are a part, and are expecting Siles Zuazo to accept it with the understanding that it is a demand of the people that the military should return to their barracks at once.

In this connection it was pointed out that the National Revolutionary Movement of the Left [MNR-I], another strong component of the UDP, last Friday asked for new elections within 90 days.

MNR's Paz Estenssoro

PY271715 Paris AFP in Spanish 1517 GMT 27 Jul 82

[Text] Lima, 27 Jul (AFP) -- The leader of the National Revolutionary Movement (MNR), Victor Paz Estenssoro, has stated that a new government emerging from the 1980 elections is the most appropriate solution for allowing Bolivia to overcome the chaotic economic, financial and social situation in which it finds itself.

Paz Estenssoro made this statement this morning on his way through here to La Paz.

Paz Estenssoro also stated that he favors a political statute for the parties, because, he said, it is not possible that 2 million voters should have to choose between 54 organizations. Paz Estenssoro came out second in the 1980 elections and is the leader of what is considered to be the second largest party in Bolivia, judging from the last three general elections, which were frustrated by the same number of coups.

Giving a brief analysis of the Bolivian situation, he indicated that in addition to the current political factor and in order to explain the serious economic situation, the following must be taken into account: There is an alarming world depression, there has been a fall in the price of oil and there is a large amount involved in loans surpassing Bolivia's ability to repay.

FOREIGN MINISTER HOLDS TALKS IN PORT-OF-SPAIN

PY271259 Sao Paulo FOLHA DE SAO PAULO in Portuguese 24 Jul 82 p 6

[By special correspondent Flavio de Almeida Salles]

[Text] Port-of-Spain -- In a meeting with local reporters yesterday, Foreign Minister Saraiva Guerreiro stated that he was opposed to the formation of a permanent inter-American peace force for resolving inter-American regional conflicts.

Yesterday was the second day of Saraiva Guerreiro's official visit to Port-of-Spain. He held talks with Trinidad and Tobago President Ellis Clarke, Prime Minister George Chambers and Foreign Minister Basil Ince. In all the meetings the predominant theme Trinidad and Tobago officials brought up was the increasing tensions between Venezuela and Guyana in the wake of the Venezuelan claims to the Essequibo region in Guyana, a region that convers two thirds of the territory of Guyana.

In all his meetings Guerreiro assumed a posture of moderation concerning the prospects of a war between Venezuela and Guyana. He also repeated his hope that the two sides would find a peaceful way to settle the border problems.

Meanwhile, the Brazilians feel that the intensification of Venezuelan claims to the region are related to the fact that this is an election year in Venezuela. The theme of annexing the Guyanese Essequibo is striking a chord in the Venezuelan electorate and for this reason the candidates are including the question of the border with Guyana in their campaign speeches.

Asked about relations between Brazil and Cuba, Guerreiro observed that although the two countries do not have diplomatic relations, Brazil always observes the principle of self-determination in its position toward the government of Fidel Castro.

It should be understood, at the same time, that the principle of self-determination should also be observed by the Cubans, since from the foreign minister's point of view, Havana does not have the right to make judgements about the governments of other countries of the continent.

The Brazil-Guyana joint commission's work began yesterday morning. In his opening speech, the Brazilian foreign minister announced that, on the decision of President Figueiredo Brazil will establish a direct air link between Rio de Janeiro and Port-of-Spain.

Guerreiro also said that commercial and economic relations between the two countries had doubled in the last 10 years. Today business deals between the two countries amount to approximately $35 million.

The commission will continue its work this Monday and Tuesday without the Brazilian foreign minister who returns to Brazil today by way of New York, where he is going for personal reasons.

In their first meeting, the representatives from Brazil and Trinidad and Tobago will begin to discuss forms of cooperation in the fields of steel, fertilizers and construction of a soybean refinery.

NEWSPAPER CRITICAL OF REAGAN ATTITUDES

PY280023 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jul 82 p 3

[From the "Notes and Information" page by C.C.: "Pressure May Force Latin American Into Unity"]

[Text] The government will try to cope with the economic and financial crisis with the means at its disposal -- with much pain and sacrifice -- but it is convinced that the surprising attitude adopted by the United States toward us involves, above and beyond everything else, questions of foreign policy.

By increasing interest rates on loans, imposing risk rates on those loans, assailing our exports and trying to hurt them even when they are not intended for the U.S. market, the Americans might at least be manifesting forms of pressure for Brazil to abandon the so- lled Third World and to return to an automatic realignment with the State Department.

That reasoning, which is being heard in high ministerial levels, particularly after President Joao Figueiredo's return from Canada, is not in the public domain yet, unless relations between the two countries take a turn for the worse due to U.S. attitudes toward our interests. And, according to official sources, even then we will not give in to pressures nor will we change the main lines of the policy conducted by Itamaraty. In Planalto Palace and in the esplanade of ministries, many people have expressed annoyance over this situation which began to take shape when President Ronald Reagan initiated his current strategy consisting of unloading on the developing countries the heaviest weight of U.S. inflation and particularly the U.S. rearming to offset the Soviet advantage. The annoyance in this case is a sentiment that will not be translated into emotional initiatives. As far as we are concerned, we will do nothing to worsen our relations with Washington, which we want to proceed smoothly not only for economic reasons but for ideological and political reasons as well. We are part of the Third World and we endeavor to narrow the North-South imbalance, and yet, on the reverse of the coin, we are fully conscious of our role in the Western Hemisphere, our traditions and our option for capitalism, freedom and democracy.

Nevertheless, as even state ministers have been stressing in recent days, it will be ncessary to confront the ever-stronger barriers which the United States is trying to raise against our exports, as well as the ever-increasing obstacles which for some time have been erected in the way of our efforts to lower our foreign debt. As this century is drawing to close, any diplomacy which attempts, as U.S. diplomacy seems to be doing, to transform allies into spinelessly aligned followers must be repelled. Current Brazilian foreign policy -- as some high-level presidential aides say -- gained its present form over 2 long decades by rooting out some excesses, and it expresses a national sentiment for gaining influence and for adopting directives in accordance with our interests. Changing it on account of pressures such as those noted, although they are implicit and undeclared, will be equivalent to surrendering our sovereignty or part of it. We have already gone through more critical times in our relations with the United States, such as those of the Geisel government over the nuclear agreement with the FRG and the human rights question. With firmness and through talks the crisis was then overcome. Identical conditions now exist to make it possible to overcome the present crisis, but for this the other side has to have the same disposition to talk. The Americans should keep in mind that weakening and even strangling the economies of its Latin American allies is tantamount to providing ammunition to its greater adversaries in the socialist world.

In view of these concerns -- heard but not formally admitted, I repeat -- there is a growing determination within the government that greater and stronger ties must be established among the various Latin American countries. This has been one of President Figueiredo's objectives because, if the Latin American countries could find a uniform voice to conduct a common dialogue with Washington, we perhaps would not present the same fragility to the inflexible policies of Mr Reagan. When he returns from Trinidad-Tobago in 2 more days, Foreign Minister Saraiva Guerreiro will certainly spend long hours at Planalto Palace to examine the new moves in the present situation.

ITALIAN FOREIGN MINISTER'S VISIT ANNOUNCED

PY280226 Paris AFP in Spanish 0055 GMT 28 Jul 82

[Text] Brasilia, 27 Jul (AFP) -- Italian Foreign Minister Emilio Colombo is expected to arrive in Rio de Janeiro on 5 August on a 4-day visit to Brazil, it was learned at the Brazilian Foreign Ministry.

The Italian minister will visit Rio de Janeiro, Brasilia and Sao Paulo and will be received by his Brazilian counterpart, Ramiro Saraiva Guerreiro, in the federal capital on 6 August.

PRESIDENT FIGUEIREDO TAKES CONTROL OF FINSOCIAL

PY271535 Sao Paulo Radio Bandeirantes in Portuguese 1000 GMT 27 Jul 82

[Excerpt] The contributions of the social investment fund, Finsocial, will now be under the direct control of President Figueiredo and the funds will be used for the purposes for which the program was created.

This information was released in Brasilia by businessmen (Antonio and Josue de Medici de Moraes) after a meeting with the chief of state. Figueiredo said that if businessmen have any more complaints about Finsocial, they must bring them directly to him. The two businessmen, (Medici de Moraes), wanted to know if the government would use the funds correctly and they said that the chief of state reassured them in this regard. They said that Finsocial is not inflationary, but that at first there was an adverse reaction among businessmen because the purpose for the funds was not well explained.

BRIEFS

STEEL PRODUCTION -- The national nonferrous metals and steel council has reported that the production of steel dropped by 13.8 percent during the first half of 1982 as compared to that produced during the same period in 1981. The country produced 6.1 million tons of steel during the first half of this year while during the first half of 1981 it produced 7.1 million tons. [Rio de Janeiro O GLOBO in Portuguese 8 Jul 82 p 24 PY]

NEW BRASILIA GOVERNOR -- Brasilia -- Col Jose Ornellas de Souza Filho was sworn in yesterday as the new governor of the Federal District. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Jul 82 p 2 PY]

NEW PRC, GAMBIA AMBASSADOR -- Brasilia -- Xu Zhongfu, the new PRC ambassador to Brazil, yesterday presented his credentials to President Figueiredo and invited him to visit the PRC. Ousman Ahmadou Sallah, the new Gambian ambassador to Brazil, also presented his credentials to President Figueiredo yesterday. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 May 82 p 6 PY]

JUNE INFLATION RATE -- The Brazilian economy institute of the Getulio Vargas Foundation has reported that inflation rose by 8 percent in June -- the highest this year -- thus bringing to 47 percent the accrued inflation rate during the first half of 1982, compared to 45.2 percent last year. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Jul 82 p 1 PY]

NEW AIR FORCE OFFICIAL -- Gen Alfredo Henrique de Berenguer Cesar yesterday replaced Gen Rodolfo Becker Reifschneider as chief of the Air Force General Command at a ceremony held at the Santa Cruz air base. [Rio de Janeiro O GLOBO in Portuguese 8 May 82 p 6 PY]

SAO PAULO PDS CANDIDATE -- Reynaldo de Barros, former mayor of Sao Paulo, was elected candidate for the Sao Paulo gubernatorial seat by the ruling Social Democratic Party [PDS] branch. De Barros defeated Laudo Natel by 557 votes to 131 at the Sao Paulo PDS convention held on 8 June. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Jun 82 p 4 PY]

DE LA CUADRA INTERVIEWED ON DEVALUATION, ECONOMY

PY280250 Santiago Domestic Service in Spanish 0000 GMT 28 Jul 82

[Text] Devaluation did not lead to inflation as certain doomsayers have been forecasting, Finance Minister Sergio de la Cuadra has stated to an afternoon Santiago daily. The interview published by this daily took up almost a full page and a half.

In the interview the minister reaffirmed that market forces are still the most effective way for a better distribution of resources and goods among the population. He recalled, however, that the state has a subsidiary role which it has already played on a number of occasions, such as the minimum employment scheme, the subsidies for additional hiring of people and other similar measures. Thus, he said, the economic authorities are always ready to resolve temporary situations or contingencies.

Minister de la Cuadra went on to add that if certain economic measures have been changed, it was done only because the prevailing circumstances made it desirable. He said: I believe that remarks to the effect that the current economic policy contradicts the prior one are totally inappropriate.

Asked about the situation in construction and agriculture, De la Cuadra said that the two sectors are experiencing the effects of high interest rates. However, he indicated, efforts are being made to create conditions conducive for these two sectors. He added that a similar situation is being experienced in other countries.

Speaking about the devaluation of the Chilean peso that took place only a month or so ago, the minister acknowledged that at first the measure caused a certain amount of confusion. He pointed out, however, that this had been foreseen and that the uncertainty that arose from the devaluation has been overcome.

He added that changes in the U.S. dollar exchange rate did not have the inflationary effect that certain doomsayers had forecast. Minister de la Cuadra went on to say that other economic measures implemented by the government have been well received and that confidence has been gradually restored. He went on to say, however, that this does not mean that I am promising that all the problems are over.

Asked about the possibility given to the banks to keep up to 2.5 percent of their loans to enterprises linked between themselves, De la Cuadra explained that this allowance involved less than half of the (?reserve) capital of the financial institutions and that it applied only to productive industries and not investment enterprises.

He stressed in this regard that whatever problems had arisen, they were with so-called holding corporations, that is, those which operate jointly as productive and financial enterprises.

Asked about rumors, the minister answered: It is difficult to talk about organized rumors, but there is no doubt that there are interconnected rumors. [Words indistinct] and possibly, to make the current economic policy fail. However, rumors have a way of (?contradicting) themselves and those who pick them up or spread them rapidly lose ground because they are either unreliable or frustrated persons, mere tragic victims of a lack of information.

De la Cuadra addes that there is no heavy trading in U.S. dollars despite the fact that very large import credits were paid out the last few months while very few foreign loans came into the country.

When asked about customs tariffs, De la Cuadra said that an indiscriminate increase of tariffs would benefit certain activities and harm others. He added that should this happen exports would be harmed, ineffectiveness would be protected, monopolies and oligopolies would be sheltered, the incorporation of new technologies would be delayed and the outflow of products thwarted.

The minister explained that competition is necessary. He said that it is obvious that those whose quality standards are low will never make any progress. He said that this happens with ideas just as with soccer teams.

POLICE DETAIN SANTIAGO DEMONSTRATORS 24 JUL

PY262148 Paris AFP in Spanish 2351 GMT 24 Jul 82

[Text] Santiago, 24 Jul (AFP) -- Nine women and a man were detained today in downtown Santiago while participating in a demonstration organized by the group of relatives of missing detainees, it was reported here.

In a communique, the above organization states that the incidents occurred during a demonstration marking the seventh anniversary of the publication by the international and national press of a list of 119 persons who were reported missing in 1973, 1974 and 1975. "It was claimed that these persons had died in foreign countries," the communique says.

The communique states that the demonstration staged at the Santiago parade ground was observed by dozens of passersby and that the demonstrators posted a cloth banner demanding that the status of the missing persons be clarified. They also waved placards with pictures of the 119 missing persons.

The group of relatives of missing detainees reports that agents of the secret National Intelligence Center (CNI) and members of the carabineros militarized police detained the demonstrators.

FIVE SHIPS TO PARTICIPATE IN UNITAS 23 EXERCISES

PY261436 Santiago Domestic Service in Spanish 1100 GMT 26 Jul 82

[Text] Five Chilean ships and five U.S. ships will participate in the Unitas 23 exercises, which will begin in Chilean territorial waters on 17 August 1982.

The U.S. Navy will use the destroyers O'Bannon, and Preble, the frigate Blackely, the landing craft Fort Snelling, and the submarine Tinosa.

The Chilean fleet will use the destroyers Almirante Riveras and Ministro Zenteno, the frigate Condell, the tanker Araucano, and the submarine Hyatt.

The activities will begin on 17 august when the U.S. ships arrive in Mejillones Bay. Offshore exercises will be carried out in the area of Antofagasta from 17 August to 28 August. The ships will dock in Valparaiso on 27 August [as heard]. Joint activities will be carried out from 27 August to 2 September, when the ships will dock in the port of Talcahuano. The ships are due to arrive in Puerto Montt on Wednesday, 8 September, and they will then head for Punta Arenas, where they are due to arrive on Sunday, 12 September. The U.S. task force is due to return to the United States on Monday, 13 September.

NEW OUTBREAK OF SUBVERSIVE ACTION REPORTED

PY271456 Lima Radio Union in Spanish 1200 GMT 27 Jul 82

[Text] A group of armed terrorists confronted policemen guarding the (Paz Pagaderas) National Park where the Vicuna [words indistinct]. The confrontation took place in (Salohuamayo), south of Ayacucho Department. It was reported that a seriously wounded forest guard was taken to (Pusio) and then transferred to ICA. The terrorists, after capturing the four policemen of the (Salohuamayo) post, dynamited the post, looted the stores of the area and then escaped on horseback through the mountain ranges, taking [words indistinct].

It has also been learned that another armed group set fire to a coffee warehouse in Jaen, Cajamarca Department. The same group tried to take over [words indistinct] a food warehouse in Cajamarca but were repelled by the police. The interior minister [Lt Gen Jose Gagliardi] has acknowledged the new outbreak of terrorism in the southern part of the country. This is what he said:

[Begin recording] There is a new outbreak of subversive activity and actions such as throwing dynamite and attacking police posts when there are only three or four guards on duty; they do not attack when there are more guards because they are not looking for confrontations but only treacherous attacks taking the guards by surprise [words indistinct] to create a situation of uneasiness. I continue to believe in my objective and I prefer to continue with my goal that these subversive elements think about their actions. Peru cannot be built by destruction; Peru must be built by everyone's efforts and by understanding that the situation of crisis is not only affecting Peru [words indistinct]. [end recording].

UK Envoy's Residence Bombed

PY272127 Buenos Aires Latin in Spanish 2105 GMT 27 Jul 82

[Excerpt] Lima, 27 Jul (LATIN-REUTER) -- Seven bombs went off early this morning in various neighborhoods in Lima. According to police reports, the private residence of the British ambassador suffered considerable damage.

A police spokesman said that some unknown persons hurled dynamite sticks at the residence of the British ambassador, Charles Wallace, who did not report any victims.

The diplomat, who lives on the outskirts of Lima, declined to furnish more information, and indicated that the police were investigating in order to apprehend the culprits.

Also some unknown persons attacked the newspaper LA PRENSA, where the policeman on duty managed to defuse the explosives.

Other attacks were made against a chemical products factory, a private school and commercial enterprises, including one in an outlying neighborhood close to the site where a few hours earlier the Miss Universe 1982 contest had been held.

Attack on Agrarian Bank

PY261433 Lima Radio Union in Spanish 1130 GMT 26 Jul 82

[Text] On the eve of the 125th anniversary of the political creation of the [word indistinct], terrorists detonated two powerful dynamite charges in the offices of the Agrarian Bank, causing considerable damage to the story occupied by this bank and to a couple of stores above it.

The first bomb was detonated at 2100 [0100 GMT], a few minutes before the beginning of the ceremony that was being held in the main plaza in Lima to commemorate this anniversary.

Police Car Blown Up

PY261540 Lima Radio Union in Spanish 1130 GMT 26 Jul 82

[Text] A police car of the civilian guard armored squadron stationed in the 29th Precinct of La Victoria neighborhood caught fire when a Molotov bomb placed on its back seat exploded.

This epidode took place the night before last at approximately 2300, and the police believe that the bomb, which burned up the back seat of the patrol car B-182 L, was presumably placed there by terrorists when the policemen assigned to the car left it unattended to carry out an assignment.

PRESIDENT TO RECEIVE ITALY'S COLOMBO 4 AUG

PY280227 Paris AFP in Spanish 0132 GMT 28 Jul 82

[Excerpt] Lima, 27 Jul (AFP) -- Italian Foreign Minister Emilio Colombo will be received in this capital by President Fernando Belaunde on 4 August, it was officially announced here today.

CUBAN MINISTER ARRIVES FOR UNESCO CONFERENCE

FL271340 Mexico City NOTIMEX in Spanish 0040 GMT 27 Jul 82

[Text] Mexico City, 26 Jul (NOTIMEX) -- Imperialism should follow the course outlined by Jose Lopez Portillo and Francois Mitterrand to resolve the problems of Central America, Armando Hart, Cuba's minister of culture, asserted here today. The minister heads the Cuban delegation to the second international conference on cultural policies which UNESCO began here today and which will run for the next 12 days. He asserted that 23 years after Fidel Castro's revolution illiteracy has totally eradicated, the people have rights to free health care and "the cancer of prostitution" has been eliminated.

He said that international agencies "in the service of imperialism" speak negatively of Cuba "because it has been able to establish an independent economic development and a firm foreign policy." He said Central American problems stem from economic and social causes "similar to those prevailing in Mexico at the beginning of the century and which led to its revolution." He warned that "imperialism will lose more if it fails to understand that the only solution to those problems is through peaceful and negotiated means," as outlined by President Lopez Portillo in Managua last February.

FRENCH MINISTER SEES 'CULTURAL NEGATIVISM' IN U.S.

FL272314 Mexico City NOTIMEX in Spanish 2235 GMT 27 Jul 82

[Excerpt] Mexico City, 27 Jul (NOTIMEX) -- French Culture Minister Jack Lang stated today that U.S. citizens are victims of the cultural negativism prevailing in their country and that U.S. artists go to France seeking freedom of expression. During a press conference at the world congress on cultural policies being held in this capital under the sponsorship of UNESCO, the official asserted he is not anti-American, but disagrees in many ways with U.S. cultural policy. He said France not only wants to step up economic exchanges with the countries of the southern bloc, but also scientific and cultural exchanges.

UNESCO HEAD COMPLAINS OF 'CULTURAL COLONIALISM'

FL261948 Mexico City NOTIMEX in Spanish 1820 GMT 26 Jul 82

[Excerpts] Mexico City, 26 Jul (NOTIMEX) -- UNESCO Director General Amadou Mahtar M'Bow spoke here today against cultural colonialism and imperialism in underdeveloped countries. According to him, cultural penetration takes place through the cultural industries -- records and cassettes, television and films, among others -- and efforts must be made so the values of each state are respected. At present, he added, these industries seek to produce cultural models alien to underdeveloped countries.

The conference, which Mexican President Jose Lopez Portillo inaugurated today at the Fine Arts Palace, will close on 6 August.

BRIEFS

DENGUE OUTBREAK -- Culiacan, Mexico, 26 Jul (NOTIMEX) -- Today 140 cases of dengue were detected in several low-income neighborhoods. More than 10 of these neighborhoods have already been fumigated and there are plans to do the same in at least eight others. In addition, an undetermined number of cases has been reported in other places. According to a health sector spokesman, the situation is serious but not grave because the disease is not fatal and its symptoms usually disappear after a period of about 8 days. [Mexico City NOTIMEX in Spanish 0315 GMT 27 Jul 82 FL]

NATIONAL GUARD SCORES U.S.-HONDURAN EXERCISES

PA271358 Panama City MATUTINO in Spanish 27 Jul 82 p 1

[Communique issued by the National Guard; no date given]

[Text] The Panamanian National Guard Command learned from a television report broadcast on Sunday that a colonel by the name of Richards, a spokesman for the U.S. Army stationed in the Canal Zone, stated that in accordance with a U.S.-Honduran agreement military planes carrying soldiers and war materiel have begun -- from their military installations on Panamanian soil -- joint exercises with the Honduran Armed Forces as a result of commitments between the presidents of those two nations.

The Panamanian National Guard, with advice and coordination from our Foreign Ministry, is thoroughly investigating these incidents, which not only violate the Torrijos-Carter treaty openly but also affect the treaty on the canal's permanent neutrality. Panama, in its well-defined foreign policy -- and the National Guard firmly believes in this -- respects the principle of nonintervention in the domestic affairs of other countries; but at the same time, it feels that it must have the same respect for its rights and even more respect for serious international commitments legally made.

The National Guard has made a great effort to maintain respectful relations with the U.S. Armed Forces, but it also expects the greatest reciprocity in this regard. Independently of the right that Honduras has to solve its domestic problems, the United States has no right to use its forces stationed in the Republic of Panama for reasons other than those agreed on in the Torrijos-Carter treaty, that is, to protect and defend the canal.

[Signed] Col Roberto Diaz Herrera, G-3, National Guard, and cochairman of the Joint Canal Defense Board.

Diaz Herrera Remarks

PA271418 Panama City Televisora Nacional in Spanish 2300 GMT 26 Jul 82

[Text] Col Roberto Diaz Herrera, G-3 of the Panamanian National Guard, today explained the Panamanian military position on the joint exercises Honduran and U.S. troops are carrying out from Panamanian territory. Colonel Diaz Herrera said:

[Begin recording] [Question] Col Roberto Diaz, yesterday Televisora Nacional reported that joint exercises were being carried out by Honduras and the United States in [as heard] Panamanian territory. What is the National Guard's position regarding these exercises being carried out from our territory?

[Answer] Yes, Luz Maria, thank you for the opportunity to clarify this situation, which our commander, General Paredes, and the staff discussed today on the basis of last night's television reports. We are thoroughly investigating these actions jointly with the Foreign Ministry.

As Channel 2 reported, Colonel Richards announced the joint maneuvers and the sending of military planes, troops and equipment from U.S. bases in Panama. This is a clear violation of the Torrijos-Carter treaties and violates the permanent neutrality treaty because, independent of the right that the United States and Honduras have to sign treaties or pacts, in accordance with the spirit and letter of the Torrijos-Carter treaties the United States should only exercise in our territory military functions that concern the protection and security of the Panama Canal.

Therefore any action that does not involve this function of protection and security of the canal -- and in this case independent of any domestic problem that Honduras might have, which we respect, since Panama is very respectful of the principle of noninterference in the affairs of other countries -- constitutes a clear violation of the treaties, since it is contrary to the fundamental objectives of the forces stationed in Panama in the function of their main mission, which is established by these treaties, which were legally signed and which Panama wants totally fulfilled.

[Question] Since this is a military activity, does the National Guard, as the only armed institution this country has, have any other type of recourse?

[Answer] We have tried and will try to maintain a close and harmonious relationship with the U.S. Armed Forces in the Canal Area. The treaties establish a binational body which I head jointly with a member of the U.S. Army. This is the Joint Board. We are very respectful. I reiterate that we want to maintain a close and harmonious relationship, but we also demand the same; we demand that we be respected. We are going to continue thoroughly to investigate these actions, and we will denounce these actions. We will also use the Panamanian Foreign Ministry as a high-level diplomatic channel to denounce these violations of the Torrijos-Carter treaties. [end recording]

U.S. Explanation

PA271257 Panama City Circuito RPC Television in Spanish 0415 GMT 27 Jul 82

[Excerpt] For its part, the Southern Command has stated that U.S. participation in the military exercises in Honduras involves only logistical support and stressed that neither U.S. weapons nor U.S. ammunition are being used in these exercises.

OPPOSITION PARTY LEADERS MEET IN VERAGUAS 16 JUL

PA262324 Panama City LA PRENSA in Spanish 23 Jul 82 p 6A

[Text] Opposition parties held a very well-attended, lively and harmonious meeting in Santiago, Veraguas Province. Their first meeting, on 4 July, was sponsored by the Christian Democratic Party. The Authentic Panamenista Party sponsored the second meeting on 16 July at the home of Arnulfo Aurelio A. Alba, a long-time militant of the party.

The following leaders of democratic opposition political parties were present at that meeting: Romulo A. Diaz, Leonor Medina Jr., Belsio Gonzalez, Eli Arrocha P., and Thelma M. de Restrepo, representing the Nationalist Liberal Republican Movement; Hermel Rodriguez Aguilar, Pablo Quintero Pinzon, Erasmo Mendez Merida, Pacifico Sanchez Santamaria, Neomecio Garcia and Eliecer Vasquez, representing the Christian Democratic Party; Manuel Santiago Adames, Abelardo Londono D., Jose H. (Chepi) Pinilla and Angel Garcia P., for the Liberal Party; Crecencio Figueroa, Gilberto Delgado D., Jose A. Rivera, Justo Rodriguez and Aurelio A. Alba for the Authentic Panamenista Party.

They discussed the social, economic, and political problems affecting the province. This thorough analysis made it crystal-clear that the present autocratic, fraudulent and demagogic regime we have endured for 14 grievous years, instead of solving these problems, has complicated them even further and has increased them several times over.

A commission made up of two members of each of the parties present was formed to study the advisability of having a dinner-meeting in Santiago, Veraguas, in the near future. The political leaders of the democratic opposition parties in Veraguas from the corregimiento, district and province levels would be present at the meeting, and the presidents of the political parties that make up the great democratic opposition union at the national level would be invited.

BELIZE

PRICE RETURNS FROM MEXICO, REPORTS ON TALKS

FL270249 Bridgetown CANA in English 2215 GMT 26 Jul 82

[Text] Belmopan, Belize, July 25, CANA -- Prime Minister George Price of Belize has returned home from Mexico, where he had talks with President Jose Lopez Portillo, president-elect Miguel de la Madrid and Minister of Foreign Affairs Jorge Casteneda. Mr Price, commenting on the discussions with the president, said that they had analysed the international situation with special reference to the principal questions which affect the peace and security of Central America and the Caribbean.

He said they had agreed that negotiated solutions should be found in the conflicts of the area and that the programme of cooperation between Mexico and Belize in the fields of health, education and energy was reviewed. Mexico this year awarded 60 scholarships to Belizean students and the Mexican Government is now building a junior secondary school in the Orange Walk district of Belize. Mexico is also assisting in the current campaign against dengue fever in Belize. Belize is considering purchasing (?limes) from Mexico.

Both leaders agreed that their governments must maintain close contact in order to exchange points of views on the international situation and to cement their bilateral cooperation efforts. On the talks with the president-elect, Mr Price said they had reaffirmed the wish to advance the relationship between Belize and Mexico. The president-elect also reaffirmed the fundemental interest he has in strengthening the ties between Mexico with Central American nations, with strict adherence to respect for the self-determination of people and non-intervention in the affairs of other nations.

COSTA RICA

FIGUERES RELEASES MEMORANDUM ON CASTRO MEETING

PA270444 Paris AFP in Spanish 0056 GMT 27 Jul 82

[Text] San Jose, 26 Jul (AFP) -- The U.S. Government is the one which "has obstructed and continues to obstruct" a possible negotiated solution to the conflicts of Central America and the Caribbean, Cuban President Fidel Castro said in a memorandum drafted after a meeting with former Costa Rican President Jose Figueres and published here. The document, which summarizes Castro's proposals for an overall agreement between the United States and the countries in conflict in the region, contains the Cuban leader's plans for the peace proposals made recently by the former Costa Rican president, who left for Havana today for the second time within a month.

"Cuba has maintained and continues to maintain its willingness to put its relations with the United States in order, but on the basis of justice and without detriment to its sovereignty or its dignity," said Castro in the memorandum released by Figueres today. "So far, however, the talks which have been held with U.S. Government representatives have led us to conclude that under Ronald Reagan's administration it is very difficult to reach an understanding, regardless of the amount of Cuba's goodwill."

Figueres told the newspaper PRENSA LIBRE that he is "very worried about the situation in the area and that is why I am working to help defend our fatherland from the tragedy which threatens it." He added that "for some persons it is very easy to blame Cuba, Nicaragua or the United States for what is happening in Central America." He said that "I believe the origin of the problem goes much deeper and a large part of the blame lies in the feudalistic situation which exists in some nations, where the peons have to struggle to make enough money to buy one additional tortilla per day."

Figueres delivered to the press the memorandum with Castro's proposals, labeling it "a text of great value for serious politicians, for those who study the Caribbean problem, more so at this time when the pressure in the boiler is rising and threatening the Costa Rican people as well." He said that "we must all fight for peace at a time when any violent word, any incitement to hate, is another ember added to the fire, and a war would destroy us all."

In the memorandum Castro emphasized that "Nicaragua as well as El Salvador want to reach a negotiated agreement with the United States," but it is the United States which "continues to obstruct a possible solution." Nicaragua did not arm itself whimsically, he said; it has been obliged to arm itself because it is seriously threatened with invasion and intervention. However, he explained, the leaders of the Nicaraguan Government have told the United States that if they are guaranteed that the intervention and invasion plans will not be implemented, Nicaragua can begin to think of investing in production what it is now forced to spend in arms and defense.

On El Salvador, Castro said that "its conflict must have a negotiated solution and not a military solution." He explained that "a military solution, which under the present circumstances could lead to an invasion by the United States, would be the beginning of a conflagration throughout the area. This would not be suitable for the peoples of the region, and I believe it would not be suitable for the United States either, or for El Salvador." "Any negotiation with the United States," concluded Castro, "must be based on that power's respect for the sovereignty and dignity of our peoples and on their absolute political independence."

GUATEMALA

ARMED FORCES KILL 13 REBELS IN HUEHUETENANGO

PA272040 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 27 Jul 82

[Text] The Armed Forces Public Relations Office has reported that 13 subversives and 1 soldier died in 2 new clashes between soldiers and extremists in Huehuetenango. According to the official report, the armed clashes took place in the village of Jotbojoch, in San Mateo Ixtatan.

The first skirmish began at 1600, when a military patrol came in contact with a group of extremists. As a result, five subversives and one soldier, (Roberto Vicentelias), were killed. The report states that an hour later the same patrol caught up with the subversives that had managed to flee during the first armed clash, resulting in a second clash in which eight more terrorists were killed.

The official report added that in a different operation the army recovered various weapons, a Claymore mine, rolls of electric wire, detonators, clothing, food and medicine from the subversives.

HONDURAS

GOVERNMENT ORDERS CREATION OF DEFENSE COMMITTEES

PA272033 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 27 Jul 82

[Text] The government has issued instructions on the creation of departmental civil defense committees. This measure was adopted because of the current situation. The government and justice secretary, on behalf of the government, issued instructions yesterday to all departmental governors that departmental civil defense committees be created throughout the country, the objective being to safeguard public peace. The following message was circulated to all departmental governors:

In view of the current situation, which is aggravated by terrorist and subversive actions and by a campaign of misinformation, slander and [break in transmission] neighboring nation, with the complicity of unpatriotic Hondurans, we are asking you to remain firm and alert in your support of the constitutional government led by Roberto Suazo Cordova and to offer the armed forces all necessary cooperation.

To fulfill this request, you are ordered to organize departmental civil defense committees, each of which will have jurisdiction throughout the department. These committees must be organized in every municipality, and clear and precise instructions must be issued to the municipal organizations, telling them that the members of these committees must be people who have proven democratic ideas and who are free of sectarian discrimination.

The Honduran Armed Forces are willing to guarantee peace, public order, the inviolability of our territory and the stability of the constitutional government. Report regularly on your activities and implement this order without excuses. Please acknowledge receipt. Sincerely: Oscar Mejia Arrellano, government and justice secretary.

SUAZO STRESSES READINESS TO DEFEND PEACE

PA271602 Panama City ACAN in Spanish 1934 GMT 26 Jul 82

[Text] Tegucigalpa, 26 Jul (ACAN-EFE) -- Honduran President Roberto Suazo Cordova has said that his country is willing to "take up weapons" to defend its domestic peace and to safeguard its territorial integrity and sovereignty. The Honduran president participated in the ceremony to celebrate the 28th anniversary of the founding of the 1st Infantry Battalion, where he issued a call for the unity of civilians and the military and urged the latter to protect democracy.

"We view with real regret the bloody struggles being waged in some neighboring countries, which show us the need to preserve at any cost the country's domestic peace and solve our problems through the peaceful means our institutions guarantee," Suazo Cordova said. Nevertheless, the Honduran president stated clearly that "if the price we must pay to maintain that way of life is having to resort to arms, we will do so, with the support of all Hondurans."

He said the Honduran people's current circumstances should not make one forget that the army is also a builder of the nation and an important participant in the country's development tasks, and that each soldier is a provider of services that benefit the community. Suazo Cordova told the soldiers that the country is under direct and indirect attack from the internal and foreign subversion, and that to this is added a critical economic and social situation. "That is why," he added, "we must count on well-organized civilian and military institutions that at any time and in any circumstances can come to the defense of the sacred interests of the fatherland."

He warned that if anarchy, terrorism or secret conspiracies want to take over Honduras, using methods such as misinformation or direct attacks, "we are ready to confront them, whatever their origins, and we do not doubt that at such a moment all Hondurans will say 'present.'" The Honduran president said the army has its roots in the people, from where it derives its democratic makeup, and that it was organized with the essential objective of defending sovereignty and protecting the institutions that comprise the "republican, free, just, popular and democratic system."

FOREIGN MINISTER REBUTS NICARAGUAN ACCUSATIONS

PA271656 Tegucigalpa Domestic Service in Spanish 1130 GMT 27 Jul 82

[Text] Foreign Minister Edgardo Paz Barnica said relations between Honduras and Nicaragua are extremely delicate; therefore, the Honduran Government is doing its part, within the principles of mutual respect, to improve this situation. He mentioned the constant accusations being made by the Nicaraguan Government against our country:

[Begin recording] The Honduran ambassador to Nicaragua, Roberto Martinez Ordonez, accepted that position to help achieve detente between the two countries. Therefore, nothing is clear in that article. [as heard] I understand, and this is what I have been told, that Ambassador Martinez Ordonez could under no circumstances accept a charge such as that. He just said he would pass on the charges made regarding those reported incidents to the Honduran Government, to the Foreign Ministry, for them to be analyzed and investigated.

According to what he told me over the telephone -- and therefore much information could not be transmitted -- he condemned the bloody action, an action of an internal character that occurred among Nicaraguans without the participation of Honduran forces, since the Honduran Government respects the principle of nonintervention in the internal matters of other countries. Likewise, he will investigate to determine if this neutrality regarding the internal conflicts of other nations has been violated. This government is determined not to allow occurrences such as the one reported.

Honduras proposes to internationalize peace. Foreign Minister d'Escoto has said that this proposal is becoming an initiative to regionalize war. Suazo Cordova's constitutional and democratic government will never accept actions that lead to violence; on the contrary, the government condemns these actions and reiterates and affirms a position that is eminently peaceful.

Moreover, our proposal includes as a priority measure the international supervision and surveillance of borders and other strategic areas such as ports and airports. The Honduran Government has said that it would open its territory for an inspection of this nature as long as it was accepted by the other governments involved in these problems. We trust that tranquil and calm reflection will being the Nicaraguan Government to accept measures that would contribute to detente, such as the ones proposed by the Nicaraguan Government, and to set the basis for strengthening the environment for peaceful living in the Central American area.

Regarding the other matter, we -- that is, the Honduran Government -- have said on several occasions that when the democratic government freely elected by the people took office its functions were oriented toward consolidating these institutions, the democratic institutions. We regret that there are actions that tend to destabilize the Honduran constitutional government. [end recording]

In conclusion, the Honduran foreign minister spoke of relations between Honduras and Nicaragua:

[Begin recording] It is a delicate situation, but the Honduran Government will do what it must, within the principles of mutual respect, cooperation and interdependence for this situation to improve. But of course good will and a decision in this same regard are also required of the Nicaraguan Government, with which Honduras has relations. [end recording]

NICARAGUA

RAMIREZ INTERVIEWED ON FOREIGN POLICY ISSUES

PA231317 Paris AFP in Spanish 2232 GMT 22 Jul 82

[Text] Managua, 22 Jul (AFP) -- Sergio Ramirez, member of the Junta of the National Reconstruction Government of Nicaragua, has issued a call to the Central American countries to discuss the problems of the area "as the only way to solve regional conflicts." The Nicaraguan leader said that "Central America is experiencing a real warlike situation" due to "the absurd political will of the U.S. rulers, who want to cause a confrontation among the Central American countries as a way to recover their economic influence in the region."

Nevertheless, Ramirez said that "despite the provocations against Nicaragua, we will not lose our patience; that will never happen. We will defend our borders but we will never fall into the trap of setting one foot on Honduran territory or on any other Central American country." In a statement to AFP, Ramirez referred to the situation in the area and the Sandinist junta's relations with its Caribbean neighbors. He stressed the "close and cordial" relations with countries like Venezuela and Mexico, which supply petroleum to Nicaragua and support its revolutionary process.

Referring to the Central American Democratic Community -- formed in January in San Jose by the Governments of El Salvador, Honduras and Costa Rica and which will soon include Guatemala -- Ramirez emphasized that it is "nothing but a political-military maneuver that seeks to isolate Nicaragua." There is, he said, "no economic, political and social project in Central America that can function without us, since we are part of Central America. They would have to invent a crane to remove us and form a community without Nicaragua. That is why we are forced to view the community as a maneuver that seeks to isolate our country."

He added: "We have made repeated calls to those countries of the Democratic Community and also to Panama and Belize, so that we can sit down to discuss Central American problems in general. This is the only reasonable way to stabilize the region, which is so full of conflicts. That community is not being made abstractly or in the air," he added. "There is a liberation war in Guatemala, another in El Salvador and the Honduran Army invades El Salvador to pull its chestnuts out of the fire."

Meanwhile, he added, "counterrevolutionary bands attack us from the border, they invade us from Honduras, they occupy bases in Honduras. The Honduran airports are being improved with U.S. money to serve as landing fields for combat planes, and the San Andres and Providencia islands, which belong to Nicaragua but are in Colombian hands, are going to be naval bases."

"They want Nicaragua to lose its patience so they can justify intervention in Central America, but we are not going to lose our patience," Ramirez said. "That will never happen," he stressed. "We have become more mature in the last 3 years. We have a long background of struggle with the FSLN. We will be able to defend ourselves. We will defend our borders, but we will never fall into the trap of setting one foot on Honduran territory or on any other Central American territory," the Sandinist leader warned.

Regarding Nicaraguan-Honduran relations, Ramirez said that "they are worsening due to the cynicism with which the Honduran authorities confront the problems, their lack of seriousness and due to the border incidents themselves." "We see with concern and discouragement how each time there is an attack on Nicaraguan territory we are the ones who get killed, but the Honduran Government and army react, accusing us of what they sponsor in our territory," he added.

Ramirez stressed that his government wants "a serious understanding" with Honduras so it will stop "playing with fire" and so that any disagreement will be overcome through diplomatic and peaceful means. Ramirez also reiterated Nicaragua's support of a reform to the OAS charter in order to establish a better relationship between the subcontinent and the United States. "We agree with that idea. We have discussed it with Venezuela, Argentina and Panama, and we think the charter should be reviewed so as to strengthen Latin American unity and face what is now the U.S. threat to the continent's identity, as occurred at the beginning of the century with the big stick policy."

On Pluralism, Economy, Church

PA240330 Managua Domestic Service in Spanish 0300 GMT 23 Jul 82

[Text] In an interview on "Revolucion" [newscast], Dr Sergio Ramirez Mercado referred to political pluralism, mixed economy, state-church relations, the Central American situation, the current situation with Honduras, Costa Rica and Mexico and the so-called Central American Democratic Community. Companero Ramirez Mercado also referred to the meeting with Venezuelan President Herrera Campins and to the meeting with Mexican President Jose Lopez Portillo in which they discussed the serious Central American situation. Companero Ramirez Mercado spoke with total frankness and clarity regarding each of the subjects. Here is the interview:

[Begin recording] [Question] Those who are interested in discrediting the Sandinist people's revolution charge that there has been modification of the revolution's original project as far as its political alignment and mixed economy are concerned. What has changed in this regard during the 3 years of the Sandinist people's revolution?

[Answer] The mixed economy [words indistinct] because there are two types of private businessmen here. There are political businessmen, who don't have a penny to their name. They are owners of some hardware shops; other had factories and have gone bankrupt, others are owners of factories. They are businessmen who depend on generous bank financing so their debts will be refinanced and they can continue thanks to the financial generosity of the revolution. They have more political [words indistinct]. Others, the big businessmen who manage the sugar, soap and cooking oil industries, just to mention three, have a stable understanding with the revolution. We never discuss political problems with them but investment problems, inflation, the planting of sugarcane, improvement of the sugar mills, how much sugar they are going to produce, foreign exchange and other such problems. We have a good understanding with them, with those we can describe as the majority of the big businessmen.

Then there are not only big private businessmen; there are many small and medium businessmen, who also have a perfect understanding with the revolution. Approximately 60 percent of the means of production is in the hands of small, medium and big businessmen. That proportion has not changed. There is no reason why it should change. We are satisfied with that relationship.

The problem of political pluralism here must not be viewed from the perspective that the revolution has limited the field of action of the political parties. Even before the fall of the dictatorship, these political parties were already weak and small. By themselves they were unable to oust the dictatorship. The dictatorship was ousted mainly by the Sandinist Front when it changed the option from the electoral struggle, in which almost all of these small parties believe, to the option of armed struggle, which was the one that was really successful, mobilizing the people in an insurrection against the dictatorship. So then, it is not that the revolution has [words indistinct] these parties and weakened them but that they were already small and weak and had very little popular support. They become even weaker as the people begin to learn of revolutionary reality.

The people learned that there are new forms of organization in which to carry out the revolutionary changes and to benefit from those changes in housing, health, schools, education and in new social movements in which the traditional political parties do not have any influence. Those parties get weaker not in the measure that the revolution closes their field of action but in the measure that their members die off and there is no one to replace them because even their relatives, the second and third generations of these members of the traditional parties, are incorporated into the Sandinist organizations.

I think the problem for these traditional political forces is to find a way to renovate themselves. The only way they will be able to renovate themselves to participate in some way in all these social movements of the revolution. Those who want to carry out political activities outside the revolution will die from inertia or lethargy. That is what I think of political pluralism. The revolution does not have the political desire to close that pluralistic space.

Now then, if pluralism means that someone, such as the case of Robelo, leaves the country to launch armed counterrevolution with Pastora, that is another (?thing). We are then entering into another area, and that is the area of the security of the revolution and the state and the stability of the revolutionary power. We cannot discuss that with anyone on any terms. We will respond with weapons in hands and not with (?civilized) words to anyone who arms himself against the revolution.

[Question] In a report datelined Costa Rica on 11 July, the ACAN-EFE news agency indicated that Msgr Obando y Bravo has said his life has been threatened, that he has had to make his will and that he has had to inform the Holy See. Is the government aware of this threat against the life of Msgr Obando y Bravo?

[Answer] No, we are not. Monsignor Obando has not complained to the police. Any citizen who feels threatened should report it to the police. [Words indistinct] made up and which attribute to Monsignor Obando things he has not said, seeking to exploit them. I think it is absurd that it is said that Monsignor Obando is going to make his will when he is a man that does not have anything to bequeath. [Words indistinct] a will to bequeath goods. A will is for a person who has wealth to leave someone. I suppose that as a priest, Monsignor Obando does not have anything to bequeath.

[Question] How do you view the removal of Monsignor Arias Caldera?

[Answer] That is an internal matter of the church. I was reading today that the monsignor has accepted a transfer from one parish to another. However, we are getting used to seeing that the most progressive priests, the ones most identified with the revolution, the most [word indistinct], as we would say here in Nicaragua, are moved from their parishes and neutralized. I think that has political consequences. We have expressed the government's concern to the Nicaraguan Catholic Church about these attitudes, which are maneuvers to diminish political support for the revolution in parishes where the revolution has obtained that political support through priests who understand what the revolutionary process means.

[Question] Could it be said that there is a hardening of relations between the church and the Nicaraguan state?

[Answer] What is occurring is that there is a lack of understanding on the part of those who make those decisions and who think that by removing the priests [words indistinct] in specific neighborhoods. The revolution here does not depend on the Catholic Church. The revolution will take place with or without the Catholic Church, with or without the Catholic Church hierarchy and with the participation of large numbers of Christians.

The majority of the people of this country are Catholic. Most of the Nicaraguans are Catholic, and at the same time they are Sandinists because the Sandinists are not Martians and neither are the Catholics. They are the same people. Therefore, the ones losing those large groups of the population are the church hierarchy. The revolution does not lose them because those Catholics continue to be Sandinist. [end recording]

On State of Emergency

PA270519 Managua Domestic Service in Spanish 0119 GMT 27 Jul 82

[Speech by Sergio Ramirez at rally to honor persons killed in San Francisco del Norte, in "Omar Torrijos Nonaligned Square" in Managua -- live]

[Excerpts] During the last few weeks the FSLN National Directorate and the government junta have stressed the real situation of aggression our fatherland is experiencing. We have stressed the fact that the counterrevolutionary bands have now become part of a veritable army that has invaded our national territory from Honduras. This army has its base of operations in various departments of the country that border on Honduras. During clashes with these bands, with these units, with these units of this counterrevolutionary army, our Sandinist People's Army, the Interior Ministry's troops, our reserve battalions and our People's Militia units have already lost over 70 companeros, who were part of the flesh and blood of the Nicaraguan people, of our people. [shouts]

The events in San Francisco del Norte are known to all. Fifteen of our companeros died there defending the integrity of our fatherland, the Nicaraguan people's right to move ahead with the revolution we are carrying out. They fell defending our integrity, our sovereignty and our right to be free. They fell struggling like the troops of General Zeledon did in 1912 and Sandino's troops did in 1927, fighting the same Yankee imperialism.

We also know, and have so denounced, that the Honduran Army and U.S. military forces are carrying out a military exercise that is a threat to Nicaragua's territorial integrity and sovereignty, transporting troops from Comayagua to Puerto Lempira, on Honduras' Atlantic side, which is precisely the base the counterrevolution is using to attack our territory. We have denounced this. We denounce it today before the world and will go on denouncing it because this is part of the aggression our people are suffering. While these counterrevolutionary military units await inside our territory, on the Honduran side the Honduran Army is carrying out these maneuvers jointly with the Yankee army, in a clear alliance which corresponds clearly to what is happening inside Nicaragua.

Today we wish to report to you that on 24 July at 1730, 60 counterrevolutionaries carrying FAL and M-16 rifles, .30-caliber machineguns and M-79 grenade launchers attacked a group of 8 companero militiamen who were guarding the Salto Grande dam, 5 km northwest of Bonanza. Seven of the companeros guarding the dam fell heroically in combat against the counterrevolutionaries. One companera was seriously wounded and was taken to the military hospital in Managua. [shouts of "to the wall, to the wall"]

We must state that these companero militiamen, these eight companero militiamen, struggled against an infinitely larger and better-armed force. They resisted heroically and prevented the counterrevolutionaries from fulfilling their objective of blowing up the dam, which supplies the mines in Bonanza and the neighboring communities. The objective was not accomplished and our companeros defended the dam with their lives. [applause, shouts]

Several months ago we decreed a state of national emergency. This state of emergency grants the revolutionary government extraordinary powers to confront the armed and unarmed counterrevolution inside and outside Nicaragua and also the ideological diversionism. The attempts to sowing confusion among our people, the attacks by these military units and the attacks of the counterrevolutionary bands which have now become a true army.

We have been extending this emergency decree every month after assessing the situation and determining if there was a need to extend it. However, we know that what the Nicaraguan people are now demanding is that the revolutionary government not go about taking half measures. [applause, shouts] Therefore, we want to tell you -- rather, we want to consult with you on our plan to announce, at the close of this event and over a nationwide radio network, that we will extend the emergency for 6 months more. [shouts, rhythmic applause] Among other things, the companero from the Sandinist Defense Committees who spoke earlier demanded that the government use the legal instruments it has available. This is a legal instrument.

Now, to confirm the extension of the emergency decree, we will ask the people to raise their hands to signal their consent so that those who are watching us over television may see this action and also support this measure. [shouts, applause] Therefore, companeros, the decree will be published today. We will not scrimp on legal steps against our enemies. Neither will we use bullets sparingly against our enemies. [applause, shouts]

As a last point, I wish to talk to you about a matter which is somewhat different but that relates to the emergency situation faced by our country, about which our people must be perfectly aware because we are sure that the counterrevolution will also try to engage in ideological diversionism and boycotts in connection with this matter to which we are now going to refer. This matter is the fuel (?sources). [shouts] Our people are already clearly aware of our troubles regarding oil and how it has become more expensive. Our people are also aware of our limitations in this connection. To this (?we must add) some situations, like the fact that the refinery will have to be cleaned up in a few days. However, this is a circumstantial matter. The refinery has to be cleaned, and there is less fuel these days.

However, in addition, we are having trouble getting all the fuel we need, and we must be clearly aware of this. For this reason, we have decided to ration fuel. At this moment there is no problem with diesel oil, which is mainly used in production. There will be no limitation on diesel consumption. However, we do have problems with gasoline; therefore, we must ration gasoline in the country.

We are going to adopt some measures which have already been taken in other countries. They are nothing special, but (?but we must stress) that our organized people have the important task of explaining these measures once they have understood them to keep the counterrevolution from taking advantage of them. Simply stated, these are the measures: First, gas stations will be closed throughout the country on Sundays. They will open from Monday to Friday until 1900 in Managua and until 2100 in the rest of the country. This will help keep gasoline consumption down.

The quantity of gasoline you can get will be explained tonight in detail. We want to tell you that these are not scandalous or extraordinary measures; many countries that do not produce oil, like ours, have adopted them. However, we must be on the alert because we know some people are already conspiring with the counterrevolution and are taking advantage of the situation. They want to use the restrictions on gasoline use as a destabilizing element. We are not going to allow any kind of destabilizing propaganda, be it public or private, against this measure, which is aimed at protecting the nation's economy. [applause]

D'ESCOTO CALLS HONDURAS' ALVAREZ 'PSYCHOPATH'

PA271521 Managua Radio Sandino in Spanish 1830 GMT 26 Jul 82

[Text] Nicaraguan Foreign Minister Father Miguel d'Escoto has accused Honduran Armed Forces chief Gen Gustavo Alvarez of being directly responsible for Saturday's attack by a counterrevolutionary detachment on the town of San Francisco del Norte. During a news conference Saturday at Government House in the presence of the Venezuelan, Mexican, French and Honduran ambassadors, Foreign Minister d'Escoto referred to the attack that left 14 peasants dead, 4 wounded and 8 kidnapped by saying: This may sound somewhat undiplomatic, but I cannot fail to fully identify the person most responsible for this crime: Gen Gustavo Alvarez, who is the main tool the United States uses in Honduras, not to regionalize peace, but to regionalize war. D'Escoto said General Alvarez is provoking Nicaragua to create the excuse the Reagan administration needs to launch a larger-scale aggression against Nicaragua.

On Saturday, a group of approximately 100 former Somozist Guards attacked San Francisco del Norte, 7 km from the Honduran border. This is what Foreign Minister d'Escoto said:

[Begin recording] Unfortunately, in the sister Republic of Honduras there are influential people who have let themselves be used as tools to serve U.S. imperialist interests. On this occasion, even if it sounds somewhat undiplomatic, I cannot fail to fully identify the person who is directly responsible for this crime: Gen Gustavo Alvarez, chief of the Honduran Armed Forces. He is the main tool the United States is using inside the sister Honduran Republic, not to regionalize peace -- as they have chosen to claim lately -- but rather to regionalize war. This fascist psychopath is provoking Nicaragua to give the United States -- the Reagan administration, to be more specific -- the excuse it wants to launch a larger-scale aggression against our fatherland, our revolution and our people. [end recording]

FDN CLAIMS RESPONSIBILITY FOR 24 JULY ATTACK

PA271701 (Clandestine) Radio 15 September in Spanish to Nicaragua 0230 GMT 27 Jul 82

["War Report No 11" dated 25 July by the staff of the Nicaraguan Democratic Force]

[Summary] To the heroic Nicaraguan people and the free peoples of the world: The staff of the Nicaraguan Democratic Force [FDN], the army of independence, fulfilling its duty to keep the people informed of developments in our insurrectional struggle for freedom, reports that on Saturday, 24 July, FDN commandos attacked the communist garrison at San Francisco del Norte in Chinandega Department.

The freedom commandos cut communications to the town. We can report to our people that the Marxist dictatorship's genocidal troops sustained 35 casualties. We also report that members of the Sandinist People's Army surrendered to our freedom commandos, expressing their desire to join our people's democratic and revolutionary struggle to free themselves from the yoke of the hammer and sickle.

We report to the Nicaraguan people that the nationalist fighters recovered 105 automatic rifles, including AK-47 and FAL rifles, and ammunition. We also report that we sustained only five casualties, none of them serious. The FDN staff reports that during the seizure of San Francisco del Norte a Marxist executioner and 14 members of the repressive army from (El Toledar) neighborhood in the city of Leon were killed. The town of San Francisco del Norte, in Chinandega Department, was held by our freedom commandos for 3 hours.

We also wish to report that our freedom commandos continue to fight the genocidal troops throughout the (?northern) zone. We will report on the results of these actions in subsequent communiques.

We urge the free peoples of the world not to be deceived by the communist dictatorship's exhaustive misinformation campaign.

GRENADA

BISHOP ANNOUNCES NEW GOVERNMENTAL APPOINTMENTS

FL272001 Bridgetown CANA in English 1619 GMT 27 Jul 82

[Text] St Georges, Grenada, July 27, CANA -- The People's Revolutionary Government (PRG) of Grenada has announced the appointments of three new ambassadors and the transfers of one to a new posting. The announcement came from Prime Minister Maurice Bishop during the recently held annual meeting of heads of Grenada overseas missions.

Mr Bishop said the former secretary for youth, Leon Cornwall has been appointed as the new ambassador to Cuba, to replace Richard Jacob, who has been sent to Moscow to become the country's first ambssador to the Soviet Union. The former permanent secretary in the Ministry of Education, Joe Charter, has been appointed as ambassador to Libya, and Osbert Benjamin, a former secondary school teacher, who has been serving as the charge d'affaires to Iraq, has been promoted to the rank of ambassador.

Mr Bishop told the corps of diplomats, which included the country's ambassador to the United Natons, Caldwell Taylor and Dessima Williams, the ambassador to the Organisation of American States (OAS) that during the next year their main focus should be on the struggle for peace. The prime minister said the threat of war was looming and he felt that if it was fought as most likely with nuclear weapons it would be difficult for mankind to survive such a war.

BISHOP LEADING DELEGATION ON VISIT TO USSR

For reportage on the visit by Maurice Bishop, prime minister of Grenada, to the Soviet Union starting 26 July, see the Middle East section of the 27 July Soviet Union DAILY REPORT and subsequent issues.

TRINIDAD AND TOBAGO

NEW FISHING AGREEMENT SIGNED WITH VENEZUELA

FL271545 Bridgetown ADVOCATE-NEWS in English 23 Jul 82 p 3

[Excerpts] Port-of-Spain, Trinidad, Thursday (CANA) -- Trinidad and Tobago and Venezuela have signed an agreement under which fishermen from both countries will be allowed to fish in each others territorial waters without permits.

The agreements, which was initialled by officials of the Trinidad and Tobago-Venezuela fishing commission after three days of talks in Port-of-Spain last week, will however not allow fishermen to fish in certain special zones.

It allows artesanal (pirogues with nets and other fishing gear) vessels to operate outside the specific identified zones in the treaty in each others territorial waters without permits. Nonartesanal vessels -- the deep sea trawlers such as those owned by the Trinidad and Tobago national fisheries company -- are still prohibited from fishing because of the threat they posed to marine enviornment, an official statement here said.

Last week's meeting was the sixth since the bilateral treaty was signed in Port-of-Spain in December 1977. General Mendoza said that talks should be held twice yearly to re-evaluate the treaty and study problems arising out of its implementation. The meeting was held at the invitation of the Trinidad and Tobago Government. The next meeting will be held in Caracas. Three representatives from each country have been commissioners to oversee the treaty.